

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 3592 - SB 3699

March 15, 2012

SUMMARY OF BILL: Authorizes the Film, Entertainment and Music Commission to enter into partnership agreements with nonprofit organizations for purposes of promoting and supporting the goals and objectives of the Commission. Subjects annual reports and all books of accounts and financial records of all funds received by grants, contracts or otherwise from state, local, or federal sources to annual audit by the Comptroller of the Treasury. Requires the cost of any audit to be paid by the nonprofit partner. Requires the Comptroller to review and comment on any proposed charter or amendment of a nonprofit organization, prior to the adoption of any such charter or amendment.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Currently, the Comptroller's Office uses the same threshold employed by the Government Accounting Office, which is \$500,000 for audits of nonprofit entities. Under this guideline, the Office would not require an annual audit of a nonprofit entity whose revenue does not exceed \$500,000.
- Any expenditure incurred by the Comptroller's Office to perform annual audits of nonprofit organizations with revenues exceeding \$500,000 will not result in a significant fiscal impact the state and will be covered by the audited organizations.
- Reviews and comments on any proposed charters or amendments of nonprofit organizations will not result in a significant fiscal impact and can be accommodated within existing resources of the Comptroller's Office.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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